



County of Los Angeles  
Department of Public Social Services

Bryce Yokomizo  
Director

November 6, 2002

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

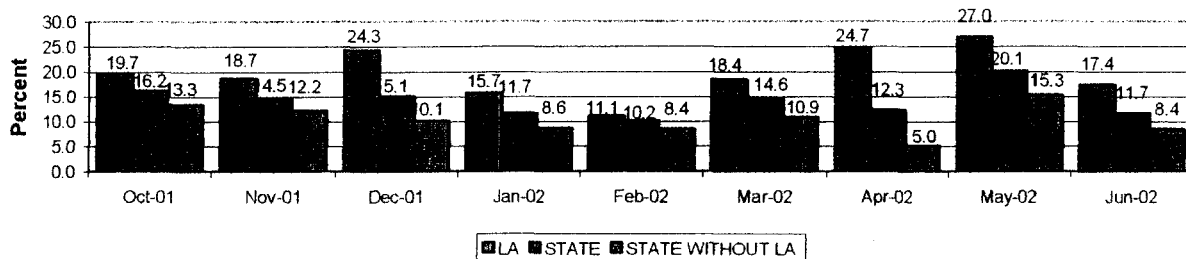
**SUBJECT: BOARD OF SUPERVISORS MOTION: L.A. COUNTY FOOD STAMP  
ERROR RATE PROGRESS REPORT**

This is to provide your Board with the departmental progress report on the Los Angeles County Food Stamp error rate. Representatives from the offices of the Chief Administrative Officer (CAO) and County Counsel have reviewed and concur with the information in this report. The Auditor-Controller (A-C) has reviewed and concurs with the error rates reflected in the "Error Rate" section of this report.

**ERROR RATE**

Based on findings from the California Department of Social Services (CDSS) Quality Control (QC) reviews, the Department's Food Stamp error rate for the month of May 2002 reflected an increase to 27.0%. The CDSS QC review findings for the month of June 2002 decreased significantly to 17.4%. The State QC sample results vary considerably month to month because of its small sample size, and our objective is to make significant progress in lowering our cumulative error rate.

The graph below displays the month-to-month error rate comparison between Los Angeles County and the average error rate for all other counties in the state of California for Federal Fiscal Year (FFY) 2002 through the month of June 2002.



The cumulative error rate for the first nine months of FFY 2002 is 20.1% which represents a decrease of 2.8 percentage points compared to the Department's 22.9% cumulative performance for FFY 2000.

PERIOD COVERED	L.A. COUNTY	STATE	STATE W/OUT L.A.
October 2000 - September 2001	22.9%	17.4%	12.1%
October 2001 - June 2002	20.1%	14.4%	10.7%

Source: CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

Although it is still early, we are beginning to experience a more significant drop in the Food Stamp error rate with implementation of the CW 7 Change Centers in all CalWORKs districts on July 1, 2002, and Department-wide on September 3, 2002. Our Department's in-house audit results for the month of August 2002 reflect an agency error rate of just under 7%. When we add the estimated 40% usually attributed to participant error, the total error rate is estimated at 11.5%. Preliminary September 2002 audit results are tracking similarly. Even though these are not the official State audit results, we use the same methodology and our findings closely track those of the State. The benefits of the in-house audits are that we review 3,500 cases each month, rather than 35 cases, and our audits are more current and can more quickly determine the impact of corrective action.

#### **INITIATIVES FOR IMMEDIATE ACTION**

We continue to aggressively pursue new corrective action measures that support the DPSS Food Stamp Business Process Improvement Strategic Plan. Upcoming corrective actions include the following:

- The Department is developing a LEADER Operational Handbook. The Handbook provides an on-line user manual to assist workers in using LEADER screens correctly. The Handbook will be available to line staff via the LEADER work station by January 30, 2003.
- The Department has extended the Monthly Eligibility Report (CW 7) Imaging project to the end of the calendar year. This project has the potential to improve the Food Stamp error rate by quickly recognizing reported changes on the CW 7 and forwarding them to CW 7 Change Centers for processing. We are conducting a quality comparison to determine the effectiveness of the project.

- The Department aggressively continues to train eligibility staff by providing specialized LEADER Food Stamp Training Clinics. Phase II LEADER Training Clinics focused on CalWORKs Earned Income and were conducted from April 2002 through May 2002. Phase III Clinics were conducted from June 2002 through July 2002 and focused on General Relief Food Stamp Earned Income. Phase IV Clinics were conducted from July 2002 through September 2002 and focused on CalWORKs Household Composition Part I. The fifth Phase of the LEADER Training Clinics is still in progress. The topics cover General Relief and Non-Assistance Food Stamp Household Composition. Post testing is delivered after completion of each LEADER Training Clinic.
- The Department is editing a CW 7 Video to improve communication with the public on reporting responsibilities. The Video will provide participants with clear, step-by-step instructions for more accurate monthly reporting. Written procedures are being developed to provide district staff with instructions for effective use of the video.
- The Department is working with the State to obtain a consultant to assist district offices with high Food Stamp error rates. The consultant will identify district specific problem areas and assist in implementing needed corrective action at the individual district office.

### **SANCTION APPEAL FOR CALIFORNIA AND LOS ANGELES COUNTY**

We are working with County Counsel in developing an explanation to present in the Statewide Sanction Appeal that the impact of moving from a manual to a totally automated environment significantly changed the work environment and resulted in an increase in the Department's Food Stamp payment accuracy error rate similar to the experience in other jurisdictions.

I will continue to provide your Board with regular progress reports until the Department's Food Stamp error rate is substantially reduced.

BY:ps

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller